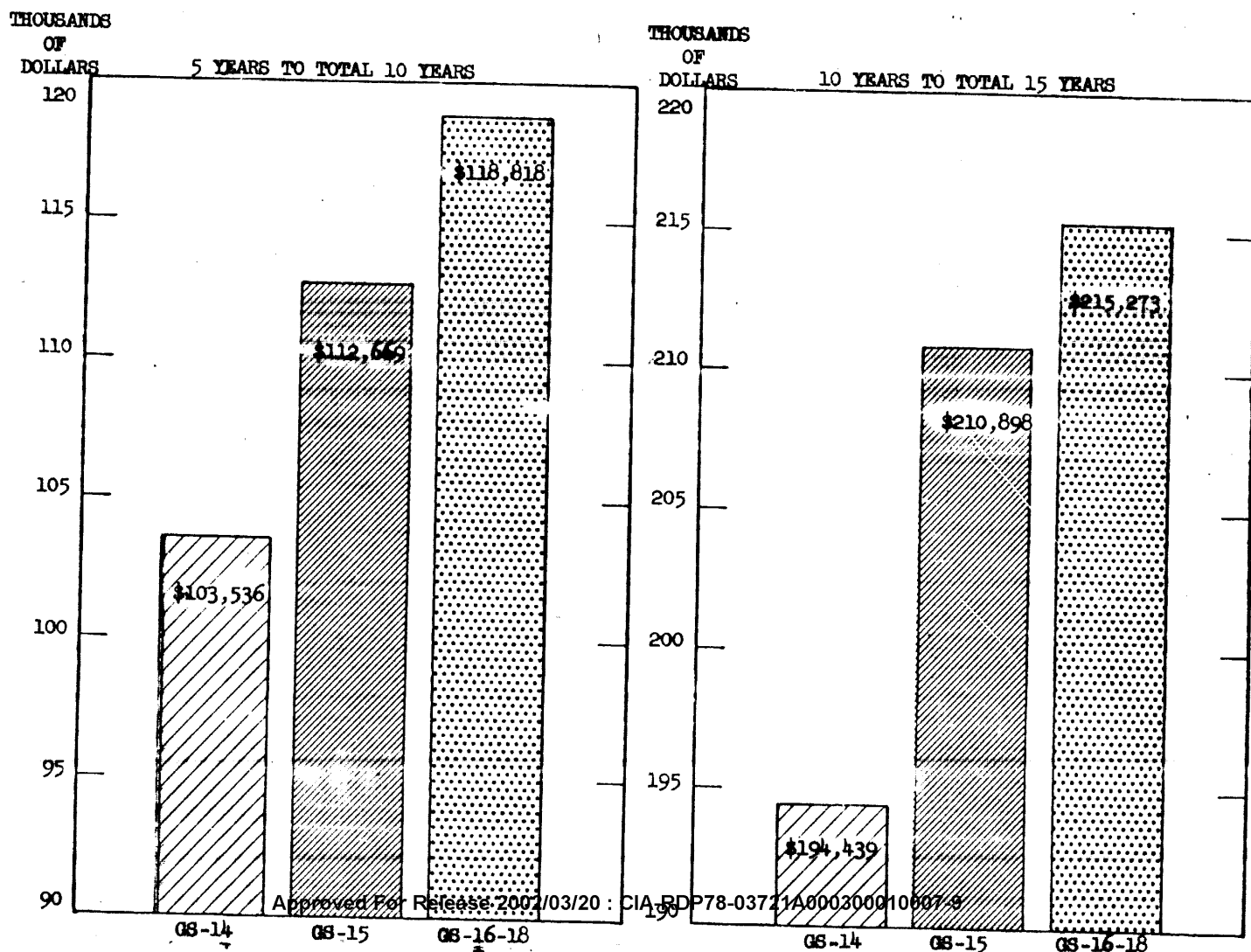


TAB

Approved For Release 2002/03/20 : CIA-RDP78-03721A000300010007-9

EXCESS OF COMBINED PAYROLL AND ANNUITY COSTS
OVER ANNUITY COSTS PROJECTED
TO AGE 65 IF RETAINED:

Chart



Tab 6-A
Chart 1
Exhibit 1

EXPLANATORY NOTES

This chart shows the additional costs which would be incurred if an employee were retained beyond a minimum five-year period in order to fulfill additional service requirements. The costs compared are the cost of annuity to age 65 for an employee retired with five years of service on the one hand and, on the other hand, salary costs for the additional service period plus annuity costs to age 65.

The chart on the left side of the page, "5 Years to Total 10 Years," shows the additional costs involved in retaining an employee with five years of service for an additional five-year period in order to meet a total service requirement of ten years. For example, the difference between annuity payments to age 65 for a GS-14 retired with five years of service and the cost of his salary (and related personal costs) for an additional five-year period plus annuity payments to age 65 is \$103,536 for a GS-14.

The chart on the right side of the page, "10 Years to Total 15 Years," makes the same kind of comparison for the employee who is retained in service for an additional ten-year period after a base period of five years of service to permit him to meet a total service requirement of 15 years. Thus, the difference between annuity payments for a GS-14 retired with five years of service to age 65 and the cost of keeping the same GS-14 on the rolls for an additional ten years and then making annuity payments to age 65 is \$194,439.

Details of computation are shown in Table 3, Columns 8 through 12.

Exhibit 3 (Table 1 for GS-14) shows the year-by-year comparison of costs.